



**6712-01**

**FEDERAL COMMUNICATIONS COMMISSION**

**[WC Docket Nos. 10-90 and 05-337; DA 12-137]**

**Comment Sought on Potential Data for Connect America Fund Phase One Incremental Support**

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice; solicitation of comments.

**SUMMARY:** In this document, the Wireline Competition Bureau begins the process of implementing CAF Phase I by seeking comment on potential data that can be used as inputs to the equation that will be used to determine distribution of the \$300 million, and on a proposed list of wire centers that would be eligible to receive CAF Phase I incremental support.

**DATES:** Comments are due on or before **[INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Interested parties may file comments on or before **[INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]**. All pleadings are to reference **WC Docket Nos. 10-90 and 05-337**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS), or by filing paper copies, by any of the following methods:

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.
- **People with Disabilities:** To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For detailed instructions for submitting comments and additional information on the rulemaking process, see the SUPPLEMENTARY INFORMATION section of this document.

**FOR FURTHER INFORMATION CONTACT:** Joseph Cavender, Wireline Competition Bureau at [Joseph.Cavender@fcc.gov](mailto:Joseph.Cavender@fcc.gov) or (202) 418-7400 or TTY (202) 418-0484.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Public Notice in WC Docket Nos. 10-90 and 05-337; DA 12-137, released February 6, 2012. The complete text of this document is available for inspection and copying during normal business hours in the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY-A257, Washington, DC 20554. The document may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, SW., Room CY-B402, Washington, DC 20554, telephone (800) 378-3160 or (202) 863-2893, facsimile (202) 863-2898, or via the Internet at <http://www.bcpiweb.com>.

1. On November 18, 2011, the Commission released the USF/ICC Transformation Order and FNPRM, 76 FR 76623, December 8, 2011, which comprehensively reforms and modernizes the universal service and intercarrier compensation systems. Among other things, the Commission established a transitional mechanism to distribute high cost universal service support to price cap carriers, known as the Connect America Fund Phase I ("CAF Phase I"). CAF Phase I incremental support is designed to provide an immediate boost to broadband deployment in areas that are unserved by any broadband provider.

2. In particular, in CAF Phase I, the Commission allocated up to \$300 million of additional, incremental universal service support to price cap carriers to be distributed using cost estimates based on the cost model the Commission used to determine High Cost Model Support previously. In adopting CAF Phase I, the Commission specified the process by which such support would be distributed, including the equation to be used to generate cost estimates, and delegated to the Wireline Competition Bureau (Bureau) the task of performing the calculations necessary to determine support amounts and selecting the necessary data.

3. In the Public Notice, the Bureau begins the process of implementing CAF Phase I by seeking

comment on potential data that can be used as inputs to the equation that will be used to determine distribution of the \$300 million, and on a proposed list of wire centers that would be eligible to receive CAF Phase I incremental support.

4. First, Windstream Communications submitted, pursuant to our protective order, data, on a wire center basis, for each of the input variables used in the equation adopted by the Commission. Windstream proposes that we use these data to calculate support amounts. We seek comment on the data submitted by Windstream. Should we use these data as a basis for determining eligible support amounts in CAF Phase I? Should we use an alternate source? We encourage commenters with concerns about the data Windstream submitted to provide alternate data along with an explanation of how those data were derived, or to explain how we could obtain more appropriate data. We observe that Windstream's submission does not purport to provide data for all wire centers. For example, Windstream has not provided data for Alaska or the U.S. Territories. Although the Bureau has delegated authority to exclude such areas from the analysis for CAF Phase I incremental support if we conclude that we do not have appropriate data available, we invite commenters to provide appropriate data for such areas. We note that it might be possible for the Commission to develop input variables for some portion of the areas for which Windstream did not provide data by, for example, applying statistical methods to estimate the number of business locations in a wire center given information about the number of residential locations and area of the wire center. We seek comment on the use of such an approach and whether we should use such derived data, provided that we are able to do so consistent with the Commission's expectation that the Bureau complete our work and announce support amounts on or before March 31, and that we believe that such data are sufficiently reliable.

5. Second, because the Commission limited CAF Phase I incremental support to price cap carriers, the Bureau must therefore exclude from our analysis the wire centers of non-price cap carriers. The Bureau, after conducting its own analysis based on the Telcordia LERG Routing Guide and

Commission data for carriers' common control names, has developed a list of wire centers for price cap carriers, identified by the eight-digit Common Language Location Identifier (CLLI) code, which is available through EDOCS at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/DA-12-137A2.xls](http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-12-137A2.xls). We seek comment on this proposed list. Are all wire centers of price cap carriers and rate-of-return areas affiliated with price cap carriers included? Are there any wire centers listed that should not be? We encourage commenters identifying errors or omissions in our proposed list to provide correct information along with an explanation of where those data were obtained, or explaining how we could obtain correct data.

6. Interested parties may file comments on or before **[INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]**. All pleadings are to reference **WC Docket Nos. 10-90 and 05-337**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS), or by filing paper copies.

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12<sup>th</sup> St., SW, Room TW-A325, Washington, D.C. 20554. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. The filing hours are 8:00 a.m. to 7:00 p.m. Commercial overnight mail

(other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

**In addition, one copy of each pleading must be sent to each of the following:**

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, [www.bcpweb.com](http://www.bcpweb.com); phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Joseph Cavender, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A236, Washington, D.C. 20554; e-mail: [Joseph.Cavender@fcc.gov](mailto:Joseph.Cavender@fcc.gov); and
- (3) Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A452, Washington, D.C. 20554; e-mail: [Charles.Tyler@fcc.gov](mailto:Charles.Tyler@fcc.gov).

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail [www.bcpweb.com](http://www.bcpweb.com).

This matter shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's ex parte rules. Persons making oral ex parte presentations are reminded that memoranda summarizing the presentations must contain summaries of the substance of the presentation and not merely a listing of the subjects discussed.

More than a one or two sentence description of the views and arguments presented generally is required.

Other rules pertaining to oral and written ex parte presentations in permit-but-disclose proceedings are set forth in § 1.1206(b) of the Commission's rules.

FEDERAL COMMUNICATIONS COMMISSION

Trent Harkrader,  
Division Chief, Wireline Competition Bureau.

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